

BRIAN SANDOVAL
Governor

STATE OF NEVADA



**OFFICE OF THE GOVERNOR
NEVADA STATE OFFICE OF ENERGY**

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Request For Applications No. 0002
for

**Fund For Renewable Energy, Energy Efficiency and
Energy Conservation Loans**

Release Date: September 29, 2011

Amount of individual loans per person or entity:

Minimum: \$100,000.00
Maximum: \$1,000,000.00

For additional information, please contact:
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IMPORTANT NOTICE: The Director may consider granting loans for less than the minimum amount based on the merit of the project, without prior notice.

Although this Request For Applications (RFA) is intended to remain open continuously, the solicitation may close without prior written notice at any time upon determination by the Director of the Nevada State Office of Energy (NSOE).

Definitions

“Director” means the Director of the Office of Energy.

“Disadvantaged Community” means a county, city or defined service area in which the median household income is less than 80 percent of the statewide median household income, as determined by the most recent data from the United States Census Bureau or by income surveys.

“Fund” means the Fund for Renewable Energy, Energy Efficiency and Energy Conservation created by section 1.5 of Assembly Bill No. 522, chapter 377, Statutes of Nevada 2009, at page 202.

“Person” has the meaning ascribed to it in NRS 701B.090.

“Qualified Project” means the,

- (a) construction or expansion of a renewable energy system,
- (b) construction or operation of an energy conservation project,
- (c) construction or operation of an energy efficiency project, or
- (d) Manufacturing of components of a renewable energy system.

“Renewable energy” has the meaning ascribed to it in NRS 704.7811.

“Renewable energy system” has the meaning ascribed to it in NRS 704.7815.

“Energy Efficiency” has the meaning ascribed to it in SB 60 of the 76th (2011) Legislative Session.

“Energy Conservation” has the meaning ascribed to it in SB 60 of the 76th (2011) Legislative Session.

“Manufacturing of components of a renewable energy system” has the meaning ascribed to it in SB 60 of the 76th (2011) Legislative Session.

“State” means the State of Nevada.

Terms

The terms of the loan agreement will be determined by the Director and will not exceed 15 years. In accordance with the provisions of American Recovery and Reinvestment Act (ARRA), the purpose of the Fund is to provide below market rate financing, at an interest rate of 3 percent, for projects that develop or expand **renewable energy systems, energy efficiency, energy conservation and manufacturing of components of renewable energy systems** in Nevada. The Director may offer a lower interest rate to a public entity if the project is located in a disadvantaged community.

Eligibility

To be eligible for financing from the Fund, an application must propose a **qualified project**.

Eligibility (continued)

The following projects and activities are not eligible for financing from the Fund:

1. Research or general planning
2. Refinancing of existing debt
3. Purchase of land or water rights
4. Operation (except as allowed under energy conservation and energy efficiency) and maintenance.

Each application must be completed in full. **Incomplete applications will be returned to the applicant and may be resubmitted before the close of the RFA period.** The State makes no warranty that the applicant will be eligible to receive funds available under this solicitation. It is possible that all funds will be loaned out to other applicants and that an applicant who was returned an application because it was incomplete may have to wait until future funding is available following the resubmission of a complete application.

Renewable Energy Project Size

Size of projects that can be categorically excluded from the federal NEPA process to allow for expedited construction:

- Solar Electricity/Photovoltaic - appropriately sized system or unit on existing rooftops and parking shade structures; or a 60 KW system or smaller unit installed on the ground within the boundaries of an existing facility.
- Wind Turbine - 20 KW or smaller.
- Solar Thermal - system must be 20 KW or smaller.

The Director may not consider projects exceeding the system sizes listed above due to federal NEPA requirements that may make certain projects infeasible. **However, this does not mean larger projects will not be considered. Applicants with projects that exceed the sizes listed above are encouraged to apply.**

Application Requirements:

A blank copy of the application is attached. Based on the scope and nature of the project, the Director may require additional information not requested in the application. If additional information is required by the Director that is not required by the application, the applicant will be notified in writing.

Application Denial

The Director will deny an application for the following reasons:

1. The project does not meet the eligibility requirements defined above, or
2. The project is not feasible*, or
3. The applicant lacks the technical, managerial or financial capability to carry out the project and repay the loan, or
4. The applicant is unable or unwilling to agree to the documentation requirements, terms, conditions, covenants and restrictions of the loan approval.

***Feasibility:** Projects that may trigger lengthy environmental reviews or are proposed on historical sites may be considered infeasible. Applications that do not demonstrate the financial capacity or acumen of management may be considered infeasible. Applicants must demonstrate that their project can be successfully completed or they may be denied.

Application Denial (continued)

Projects located on private property may be required to provide a deed of trust or other such documents deemed necessary by the Director to collateralize the loan. The Director may require all other lenders besides the primary to subordinate.

If the Director denies an application, the Director will provide written notice to the applicant of the denial of the application and the reason for the denial.

Project Ranking

Upon receipt of a complete application, the application will be evaluated and prioritized for eligibility for financing from the Fund based on job creation, renewable energy generation or savings relative to project cost, reduction of fossil fuels and emission of greenhouse gases relative to project cost, fiscal/financial issues, and readiness of the project to proceed, quality of project management and project type and duration.

The Director will request authority from the Interim Finance Committee (IFC) to fund loans. Upon approval by the IFC, the Director will post the list of qualified projects eligible for funding on the Internet website of the Office of Energy at <http://energy.state.nv.us>. IFC approval is not a guarantee of funding. Applicants may be required to supply the Director with additional information after IFC approval prior to loan documentation and closing. Applicants who fail to provide the requested information may lose their opportunity for funding.

Loan Approval, Closing and Funding

If the application is approved, prior to funding, the Director's commitment to make the funding available is subject to the execution of a definitive loan agreement and other documentation acceptable to the Director and its counsel to memorialize in writing the final terms, covenants conditions and requirements of the funding.

Loan documentation, closing process, terms, conditions, covenants and restrictions.

The Director may offer loans to the applicants with the highest prioritized projects within each category, if applicable, until money available from the Fund is fully committed. If projects' prioritizations are tied, available funds will be allocated in the order that the completed applications were received. Loan offers will have expiration dates. Loan documents that are not executed to the satisfaction of the Director prior to the expiration date may lose the opportunity for funding. The loans will be documented according to the unique characteristics of the loan. Documents will be:

1. Prepared by the Director; and
2. Approved by the State Attorney General; and
3. Executed by all parties, in form and substance acceptable to the Director before the funding of the loan. Project's commenced prior to funding are at applicant's own risk.

The term of a loan will be determined by the Director. The interest rate for all loan projects will be set by the Director, but will not exceed 3 percent. The Director may offer a lower interest rate to a public entity if the project is located in a disadvantaged community.

Federal Compliance

All projects, other than those performed on individual homes, must comply with the following:

- America Recovery and Reinvestment Act
- Davis-Bacon Act
- Buy American Provision
- National Environmental Policy Act
- National Historic Preservation Act
- Nevada Revised Statute 338: "Procedures for Awarding Contracts"

Agreement Form: The agreement contained in this RFA is for the applicant's informational and sample purposes only and may be updated or revised by the Director at any time prior to being presented to the applicant for execution.

Certification: Applicants will be required to certify by corporate resolution if necessary, that they have the authority and legal standing to enter into an agreement with the Director. Applicants will be required to certify that the entity or person receiving funds, its directors, partners, principal officers and key employees have no criminal convictions or adverse civil judgments nor are subject to any.

Due to the timing of available funding, applicants must be able to enter into a loan agreement by the deadlines that may be set by the Director or risk losing their funding opportunity. Funds cannot be "held" for an applicant until they are able to meet the loan conditions.

Submit Applications To:

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